GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:754
ANSWERED ON:12.11.2010
CONTROL ON FII INVESTMENT
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Will the Minister of FINANCE be pleased to state:

(a) whether estimates on the likely volume investments to be made by the Foreign Institutional Investors (FIIs) in stock market in the country for 2010-11 have been made;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Government and the Reserve Bank of India are unanimous on controlling the increased infusion of the said investments;

(d) if not, the opinion of both the entities in this regard; and

(e) the details of innovative steps taken in this regard so far?

Answer

MINISTER OF STATE FOR FINANCE(SHRI NAMO NARAIN MEENA)

(a): No Sir.

(b) : Investment in stock market is dependent on the perceptions of the investors, both domestic and foreign, of the economy, various sectors and companies. Perceptions are generally influenced by many factors including the macro-economic environment, growth potential of the economy, policies of the government, corporate performance, domestic and international events that have a bearing on the markets and sentiments.

(c) : Policies regarding inflows are generally taken through a consultative process.

(d) & (e): The questions do not arise.